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To: Hospital CFOs

Cc: Case Mix Liaisons, Hospital Quality Contacts

From: Alyson Schuster, Ph.D., Associate Director, Performance Measurement

Date: May 26, 2015

Re: Maryland Hospital Acquired Conditions (MHAC) Final Rankings and Scaling Results

This memorandum is to inform hospitals that Health Services Cost and Review Commission (HSCRC) will be using the results below for the Maryland Hospital Acquired Conditions Program (MHAC) revenue adjustments for Rate Year (RY) 2016. The RY2016 MHAC results for attainment and improvement used base period data from calendar year 2013 and performance period data from calendar year 2014.

Scaling was determined based on preset values calculated using the base period attainment scores (see Appendix I). The statewide improvement in the all-payer risk-adjusted complications rate was 26.26%, which exceeded the statewide minimum improvement target of 8% and thus the present scale with a maximum of 1% at-risk and up to 1% rewards was used. The Commission voted in March of 2015 to have the RY2016 rewards and penalties not be revenue neutral. In total, the penalties are \$1,080,406 and rewards are \$7,869,585 for RY2016. Appendix II shows the individual hospital scores and revenue impact.

If you have any questions, please email the quality team at hscrc.quality@maryland.gov.

Appendix I. Scaling for Penalties and Rewards based upon Final MHAC Scores

Final MHAC Score	Below State Quality Target	Exceed State Quality Target
Scores less than or equal to		
0.17	-4.00%	-1.00%
0.18	-3.88%	-0.97%
0.19	-3.76%	-0.93%
0.2	-3.65%	-0.90%
0.21	-3.53%	-0.86%
0.22	-3.41%	-0.83%
0.23	-3.29%	-0.79%
0.24	-3.18%	-0.76%
0.25	-3.06%	-0.72%
0.26	-2.94%	-0.69%
0.27	-2.82%	-0.66%
0.28	-2.71%	-0.62%
0.29	-2.59%	-0.59%
0.3	-2.47%	-0.55%
0.31	-2.35%	-0.52%
0.32	-2.24%	-0.48%
0.33	-2.12%	-0.45%
0.34	-2.00%	-0.41%
0.35	-1.88%	-0.38%
0.36	-1.76%	-0.34%
0.37	-1.65%	-0.31%
0.38	-1.53%	-0.28%
0.39	-1.41%	-0.24%
0.4	-1.29%	-0.21%
0.41	-1.18%	-0.17%
0.42	-1.06%	-0.14%
0.43	-0.94%	-0.10%
0.44	-0.82%	-0.07%
0.45	-0.71%	-0.03%
0.46	-0.59%	0.00%
0.47	-0.47%	0.00%
0.48	-0.35%	0.00%
0.49	-0.24%	0.00%
0.5	-0.12%	0.00%
0.51	0.00%	0.00%
0.52	0.00%	0.00%
0.53	0.00%	0.00%
0.54	0.00%	0.00%
0.55	0.00%	0.00%
0.56	0.00%	0.00%
0.57	0.00%	0.00%

Final MHAC Score	Below State Quality Target	Exceed State Quality Target
0.58	0.00%	0.00%
0.59	0.00%	0.00%
0.6	0.00%	0.00%
0.61	0.00%	0.05%
0.62	0.00%	0.10%
0.63	0.00%	0.15%
0.64	0.00%	0.20%
0.65	0.00%	0.25%
0.66	0.00%	0.30%
0.67	0.00%	0.35%
0.68	0.00%	0.40%
0.69	0.00%	0.45%
0.7	0.00%	0.50%
0.71	0.00%	0.55%
0.72	0.00%	0.60%
0.73	0.00%	0.65%
0.74	0.00%	0.70%
0.75	0.00%	0.75%
0.76	0.00%	0.80%
0.77	0.00%	0.85%
0.78	0.00%	0.90%
0.79	0.00%	0.95%
Scores greater than or equal to 0.8	0.00%	1.00%

Penalty threshold:	0.51	0.46
Reward Threshold	No rewards	0.60

*Minimum and maximum scaling scores based on CY 2013 Final Data Attainment Scores

Appendix II. Individual Hospital Scores and Revenue Impact of Scaling

Scaling of Maximum Penalty of 1.00% of Hospital Inpatient- For Rate Year 2016					
HOSPID	HOSPITAL NAME	FY 2015 PERMANENT INPATIENT REVENUE*	Final MHAC Score	SCALING BASIS	REVENUE IMPACT OF SCALING
A	B	C	D	E	F
210062	SOUTHERN MARYLAND	\$161,253,765.94	0.40	-0.2069%	-\$333,628
210051	DOCTORS COMMUNITY	\$136,010,793.59	0.41	-0.1724%	-\$234,501
210033	CARROLL COUNTY	\$136,537,812.51	0.41	-0.1724%	-\$235,410
210044	G.B.M.C.	\$200,727,664.89	0.42	-0.1379%	-\$276,866
210022	SUBURBAN	\$182,880,097.32	0.47	0.0000%	\$0
210055	LAUREL REGIONAL	\$77,138,956.35	0.48	0.0000%	\$0
210016	WASHINGTON ADVENTIST	\$160,049,372.87	0.48	0.0000%	\$0
210023	ANNE ARUNDEL	\$308,739,340.58	0.48	0.0000%	\$0
210034	HARBOR	\$122,412,281.84	0.49	0.0000%	\$0
210018	MONTGOMERY GENERAL	\$87,866,457.56	0.50	0.0000%	\$0
210010	DORCHESTER	\$23,804,066.20	0.52	0.0000%	\$0
210003	PRINCE GEORGE	\$176,633,176.79	0.52	0.0000%	\$0
210005	FREDERICK MEMORIAL	\$190,475,900.63	0.53	0.0000%	\$0
210024	UNION MEMORIAL	\$239,732,514.10	0.53	0.0000%	\$0
210015	FRANKLIN SQUARE	\$282,129,811.54	0.54	0.0000%	\$0
210048	HOWARD COUNTY	\$167,430,726.52	0.54	0.0000%	\$0
210004	HOLY CROSS	\$319,832,140.30	0.54	0.0000%	\$0
210006	HARFORD	\$46,774,506.17	0.54	0.0000%	\$0
210043	BALTIMORE WASHINGTON MEDICAL CENTER	\$224,082,797.59	0.54	0.0000%	\$0
210017	GARRETT COUNTY	\$18,608,187.37	0.55	0.0000%	\$0
210027	WESTERN MARYLAND HEALTH SYSTEM	\$182,494,313.32	0.55	0.0000%	\$0
210009	JOHNS HOPKINS	\$1,303,085,115.22	0.56	0.0000%	\$0
210002	UNIVERSITY OF MARYLAND	\$869,783,533.93	0.57	0.0000%	\$0
210049	UPPER CHESAPEAKE HEALTH	\$153,131,633.20	0.57	0.0000%	\$0
210057	SHADY GROVE	\$231,030,091.92	0.58	0.0000%	\$0
210056	GOOD SAMARITAN	\$178,635,337.98	0.58	0.0000%	\$0
210038	UMMC MIDTOWN	\$137,603,928.30	0.60	0.0000%	\$0
210037	EASTON	\$95,655,306.19	0.60	0.0000%	\$0
210008	MERCY	\$232,326,849.10	0.61	0.0000%	\$0
210032	UNION HOSPITAL OF CECIL COUNT	\$67,638,499.19	0.62	0.0526%	\$35,599
210011	ST. AGNES	\$238,960,906.16	0.62	0.0526%	\$125,769
210001	MERITUS	\$188,367,775.67	0.62	0.0526%	\$99,141
210019	PENINSULA REGIONAL	\$232,896,407.52	0.64	0.1579%	\$367,731
210035	CHARLES REGIONAL	\$76,417,733.97	0.65	0.2105%	\$160,879
210012	SINAI	\$428,400,532.05	0.67	0.3158%	\$1,352,844
210029	HOPKINS BAYVIEW MED CTR	\$354,237,613.19	0.68	0.3684%	\$1,305,086
210058	REHAB & ORTHO	\$69,116,850.62	0.68	0.3684%	\$254,641
210013	BON SECOURS	\$75,937,921.77	0.70	0.4737%	\$359,706
210030	CHESTERTOWN	\$29,287,619.34	0.71	0.5263%	\$154,145
210063	UM ST. JOSEPH	\$230,010,193.37	0.72	0.5789%	\$1,331,638
210061	ATLANTIC GENERAL	\$38,616,312.78	0.73	0.6316%	\$243,893
210039	CALVERT	\$67,061,372.88	0.73	0.6316%	\$423,546
210028	ST. MARY	\$69,990,405.25	0.74	0.6842%	\$478,882
210040	NORTHWEST	\$141,883,177.42	0.74	0.6842%	\$970,780
210060	FT. WASHINGTON	\$17,901,765.04	0.79	0.9474%	\$169,596
210045	MCCREADY	\$3,571,064.06	0.83	1.0000%	\$35,711
		\$8,977,162,630			\$6,789,180
*FY 2015 Permanent IP Revenue = FY 2015 Total GBR Revenue + out of state and other non-GBR revenue x percent inpatient revenue from FY 2013					
				Rewards	7,869,585
				Penalties	-1,080,406